

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

In re)	
BEVERLY JEAN YOUNG)	
)	No. 24-11871-KHK
Debtor.)	Chapter 13
_____)	

DEBTOR'S RESPONSE TO COURT'S ORDER SETTING HEARING

COMES NOW the Debtor, Beverly Jean Young, by counsel, and responds as follows to the Court's Order Setting Hearing on Confirmation of Debtor's Proposed Chapter 13 Plan.

The Order states as its premise that "The Plan contains entries under section 4.D listing secured claims held by One Main and Reston Assn. Under Local Bankruptcy Rule 3015-2(B), the Debtor is required to notify such creditors via Special Notice and attach a copy of the notice to the Plan. The Plan does not contain the Special Notice form."

This is NOT CORRECT.

The plan does indeed treat two secured creditors properly under Section 4.D, which states:

This section deals with payment of debts secured by real and/or personal property [including short term obligations, judgments, tax liens and other secured debts]. After confirmation of the Plan, the Trustee will pay to the holder of each allowed secured claim, which will be either the balance owed on the indebtedness or, where applicable, the collateral's replacement value as specified in sub-section A of this section, **whichever is less**, with interest at the rate provided below, the monthly payment specified below until the amount of the secured claim has been paid in full. **Upon confirmation of the Plan, the valuation specified in sub-section A and interest rate shown below will be binding unless a timely written objection to confirmation is filed with and sustained by the Court.**

Section 4D does not purport to value collateral or fix the amount of claims (claim amounts are governed by proofs of claim, and valuation is done under 4A (which is marked "n/a"). There is no effort to avoid these liens under § 522(f) or otherwise.

Local Rule 3015-2(B) states:

(B) *Special Notice to Secured Creditors Whose Collateral is to be Valued or Lien Avoided*: Unless a stand-alone motion and appropriate notice is served on the affected creditor at the same time as the plan is filed with the Clerk and transmitted to creditors, the debtor shall serve on each creditor who is the subject of an included motion for valuation under 11 U.S.C. §506(a) or an included motion for lien avoidance under 11 U.S.C. §522(f) a copy of the plan to which is attached a notice in the form approved by the Court (Exhibit 2 to these Local Bankruptcy Rules). Service of the plan and special notice must be made in the manner provided for in FRBP 7004.

This Local Rule simply does not apply to this situation. There are two scenarios where the “Special Notice to Secured Creditors” is required: “each creditor who is the subject of an *included motion for valuation under 11 U.S.C. §506(a)* or an *included motion for lien avoidance under 11 U.S.C. §522(f)*.” Neither of those are present here. (The Special Notice form repeats these two options). The reason for the Rule is that these two items are included in a plan as a “related motion” and require service under Rule 7004 to commence the contested matter. Payment of the present value of a secured claim is a core part of what a plan does and is NOT a contested matter under Rule 9014.¹ No special notice or service is required in such a situation.

That said, Debtor is serving the Special Notice in order to expediate this matter should the Court disagree with the above.

Dated: April 2, 2025.

Respectfully submitted,
/s/ Daniel M. Press
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¹ Bankr. Rule 3015(f) states that the Objection to Confirmation, not the plan itself, is the contested matter governed by Rule 9014 (which incorporates Rule 7004).

CERTIFICATE OF SERVICE

This is to certify that on this 2nd day of April, 2025, I caused the foregoing Response to be served by CM/ECF upon the Chapter 13 Trustee and all parties requesting such notice.

/s/ Daniel M. Press
Daniel M. Press